



Securities and Exchange
Commission Historical Society

in cooperation with the

United States Securities and
Exchange Commission

presents

A Major Issues Conference:

Securities Regulation in the Global Internet Economy

November 14–15, 2001
Grand Hyatt Washington
1000 H Street NW
Washington, D.C.

with the support of



Northwestern University
School of Law

A Major Issues Conference: Securities Regulation in the Global Internet Economy

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1000 H Street NW
Washington, D.C.

This Major Issues Conference is intended to assist the United States Securities and Exchange Commission in setting its regulatory agenda. Conference speakers represent a broad spectrum of U.S. and foreign securities regulators, exchange officials, accountants, lawyers, and academics. The topics to be discussed cover the entire range of Commission responsibilities in the global Internet economy.

WEDNESDAY, NOVEMBER 14, 2001

8:15–9:15 a.m.

Registration

Coffee and rolls available

9:15–10:00 a.m.

Welcome and Conference Overview

David S. Ruder, William W. Gurley Memorial Professor of Law, Northwestern University School of Law, Chicago, Illinois; Chairman, Securities and Exchange Commission Historical Society

Richard M. Phillips, Kirkpatrick & Lockhart, Washington, D.C.; Conference Chair

Harvey L. Pitt, Chairman, United States Securities and Exchange Commission, Washington, D.C.

10:00 a.m.–1:00 p.m.

Regulation of the Securities Markets: How Can Regulation More Effectively Facilitate Capital Formation in the Next Decade?

- What is the economic basis for the statutory mandate that markets be transparent and linked, and that orders receive best execution?

- How should regulation of the U.S. securities markets be changed to accommodate a changing marketplace and technological innovation?
- How can regulation better accommodate diverse market structures such as traditional member-owned exchanges, for-profit exchanges, ECNs, and foreign marketplaces?
- How should the traditional roles of self-regulation be adapted in a marketplace where traditional member-owned exchanges compete with for-profit exchanges, and ECNs?

Panel Chair

Annette L. Nazareth, Director, Division of Market Regulation, United States Securities and Exchange Commission, Washington, D.C.

Panelists

Douglas Atkin, President and Chief Executive Officer, Instinet Group, Inc., New York, New York

Donald Cruickshank, Chairman, London Stock Exchange, London, England

Philip D. Defeo, Chairman and Chief Executive Officer, Pacific Exchange, San Francisco, California

Richard A. Grasso, Chairman and Chief Executive Officer, New York Stock Exchange, Inc., New York, New York

Richard G. Ketchum, President and Chief Operating Officer, National Association of Securities Dealers, Inc., Washington, D.C.

Andrei Shleifer, Professor, Department of Economics, Harvard University, Cambridge, Massachusetts

Note: There will be a 15-minute coffee break at approximately 11:00 a.m.

1:00–2:30 p.m.

Luncheon

Introduction by **Isaac C. Hunt Jr.**, Commissioner, United States Securities and Exchange Commission, Washington, D.C.

Speaker

Paul S. Sarbanes, United States Senator, Maryland; Chairman, Senate Committee on Banking, Housing and Urban Affairs

2:30–5:45 p.m.

**Regulation of Investment Funds,
Investment Managers and Market
Professionals: Are Changes Needed
in Order to Protect Investors in the
Next Decade?**

- Should there be a more functional regulatory pattern for money management services offered through broker dealer discretionary accounts, investment advisor mini accounts, on-line portfolio services, hedge funds, bank trust departments, and investment companies?
- Is there a need to create a self-regulatory organization for the investment management industry?
- How can national regulators effectively supervise investment management activities in an era of globalization, where local service providers are subject to regulatory requirement that cut across legal and territorial boundaries?

Panel Chair

David Silver, Former Chairman, ICI Mutual Insurance Company, Bethesda, Maryland

Panelists

James Dannis, Berens Capital Management, New York, New York

Kathleen H. Moriarty, Carter, Ledyard & Milburn, New York, New York

Robert C. Pozen, Vice Chairman, Fidelity Investments, Boston, Massachusetts

Paul F. Roye, Director, Division of Investment Management, United States Securities and Exchange Commission, Washington, D.C.

Steven M. H. Wallman, President, Folio fn Investments, Inc., Merrifield, Virginia

Steven K. West, Sullivan & Cromwell, New York, New York

Stuart Willey, Chief Counsel, Investment Business, Financial Services Authority, London, England

Note: There will be a 15-minute coffee break at approximately 4:00 p.m.

6:00–7:00 p.m.

Reception

7:00 p.m.

Dinner and Keynote Address

Harvey L. Pitt, Chairman, United States Securities and Exchange Commission, Washington, D.C.

THURSDAY, NOVEMBER 15, 2001

8:00–8:30 a.m.

Coffee and rolls available

**Disclosure and Accounting: Are Changes
in Disclosure and Accounting Regulation
Necessary in a Global Market?**

8:30 a.m.–10:30 a. m.

Panel One

- Can improvements in SEC disclosure requirements be made that will better facilitate raising capital in global markets without sacrificing investor protection?
- How can trading of unregistered securities be brought “onshore” while ensuring a level playing field between foreign and U.S. markets?

Panel Chairs

Edward F. Greene, Cleary, Gottlieb, Steen & Hamilton, London, England

Linda C. Quinn, Shearman & Sterling, New York, New York

Panelists

David A. Brown, Chairman, Ontario Securities Commission, Toronto, Ontario, Canada; Chairman, IOSCO Technical Committee

David B. H. Martin Jr., Director, Division of Corporation Finance, United States Securities and Exchange Commission, Washington, D.C.

Jose L. Osorio, Presidente, Comissao de Valores Mobiliarios, Rio de Janeiro, Brazil

William Underhill, Slaughter and May, London, England

William J. Williams Jr., Sullivan & Cromwell, New York, New York

10:30–10:45 a.m.

Coffee Break

10:45 a.m.–1:00 p.m.

Panel Two

- How can audit firms be encouraged to improve global quality assurance?
- Assuming the standards promulgated by the International Accounting Standards Board and the U.S. Financial Accounting Standards Board converge into a set of global high quality accounting standards, what steps can be taken to ensure that registrants and their auditors, as well as standard setters and regulators interpret and apply those standards in a consistent and effective manner? Who will oversee compliance and enforcement?

Panel Chair

Alan B. Levenson, Fulbright & Jaworski, Washington. D.C.

Panelists

Edmund L. Jenkins, Chairman, Financial Accounting Standards Board, Norwalk, Connecticut

Philip A. Laskawy, former Chairman and Chief Executive Officer, Ernst & Young, New York, New York

John Mogg, Director General, Internal Market Directorate General, European Commission, Brussels, Belgium

David S. Ruder, William W. Gurley Memorial Professor of Law, Northwestern University School of Law, Chicago, Illinois

Lynn E. Turner, Professor, College of Business, Colorado State University, Fort Collins, Colorado; former Chief Accountant, United States Securities and Exchange Commission

Sir David Tweedie, Chairman, International Accounting Standards Board, London, England

1:00–2:30 p.m.

Luncheon

Introduction by **Laura S. Unger**, Commissioner, United States Securities and Exchange Commission, Washington, D.C.

Speaker

M. Michel Prada, Chairman, French Commission des Operations de Bourse, France; former Chairman, Technical Committee, IOSCO

2:30–5:30 p.m.

Coordinating National Regulatory Standards and Enforcement Mechanisms in the Global Marketplace

- How will investors be protected in a global marketplace? What are the consequences of different systems of liability? What are the consequences of different enforcement mechanisms?
- In light of these questions, what considerations should be given to pursuing foreign violators at home, and to pursuing U.S. violators abroad?
- Are bilateral agreements and informal cooperation among regulators sufficient to protect against fraud and market manipulation in the global marketplace? Are there alternative or complementary mechanisms that would be more effective?
- Do growing concerns about privacy, particularly in light of the evolution of Internet use, affect regulators' ability to enforce securities laws?

Panel Chair

David M. Becker, General Counsel, United States Securities and Exchange Commission, Washington, D.C.

Panelists

Stephen M. Cutler, Acting Director, Division of Enforcement, United States Securities and Exchange Commission, Washington, D.C.

Felice Friedman, Acting Director, Office of International Affairs, United States Securities and Exchange Commission, Washington, D.C.

Stephen L. Hammerman, Vice Chairman of the Board, Merrill Lynch & Co., Inc., New York, New York

Gary G. Lynch, Global General Counsel, Credit Suisse First Boston, New York, New York

Anthony Neoh, Chief Adviser, China Securities Regulatory Commission, Beijing, People's Republic of China

Georg Wittich, President, Chair, German Securities Commission and Chair, Federation of European Securities Commissions, Frankfurt Am Main, Germany

Note: There will be a 15-minute coffee break at approximately 4:00 p.m.

Securities and Exchange Commission Historical Society

The Securities and Exchange Commission Historical Society, founded in 1999, works to preserve the history of the SEC, to sponsor research and educational programs regarding the SEC, and to enhance understanding of the United States and the world's capital markets.

This conference, modeled on major issues conferences organized by the Securities and Exchange Commission, the last of which was held in 1984, is part of the Society's ongoing mission to promote research and dialogue on securities regulation. The Society is grateful for the support and active participation of the Securities and Exchange Commission in this conference.

Membership and other information about the Society may be obtained from Carla L. Rosati, Executive Director, Securities and Exchange Commission Historical Society, 1001 Pennsylvania Avenue NW, Suite 810 South, Washington, D.C. 20004; 202/585-6405; c.rosati@sechistorical.org.

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Dean, Washington University
School of Law, St. Louis, Missouri

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Bethesda, Maryland; former
Commissioner, United States
Securities and Exchange
Commission

*Stanley Sporkin

Weil, Gotshal and Manges,

*Member, Conference
Planning Committee

Information

Registration and Tuition

Tuition for Securities Regulation in the Global Internet Economy is \$1,200 each for members of the Securities and Exchange Commission Historical Society and \$1,400 each for non-members. A fee reduction of \$200 per attendee is available for four or more registrations from the same firm or company. Additional discounts are available for seven or more registrations from the same firm or corporation. Included are all sessions, two lunches, one keynote dinner, and an extensive set of materials. Registrations are transferable within firms or companies, but only one set of materials per registration will be distributed.

Cancellation Policy

Full-tuition refunds will be made for all *written* cancellations received by November 1, 2001. A \$250 administrative fee will be deducted from refunds on *written* cancellations after November 1. No refunds will be made for cancellations made after November 12.

Hotel Accommodations

Registrants may take advantage of special hotel rates at the Grand Hyatt Washington, 1000 H Street, NW, Washington, D.C. 2001 (telephone 202/582-1234 or 800/233-1234). To obtain these rates, please identify yourself as a participant in the SEC Historical Society Major Issues Conference. Standard rooms are \$199, single occupancy, and \$224, double occupancy. Subject to availability, the cutoff date for these rates is October 13, 2001. Additional room categories are available.

Air Travel Discount Fares

United Airlines is the official carrier of the SEC Historical Society Major Issues Conference. To take advantage of special low fares, please call United directly at 800/521-4041 and refer to account 560 FD. Please call at least seven days prior to departure time for the best fares.

Continuing Legal Education Credit

As a program sponsored by Northwestern University School of Law, the Major Issues Conference is recognized for mandatory continuing legal education credit in the following states: California, Georgia, Indiana, Iowa, Missouri, New York, Oklahoma, Vermont, Virginia, West Virginia, and Wisconsin.

Upon the request of registrants, MCLE applications for other states will be submitted and a report of the attendees will be sent after the Institute. Registrants should include state(s) and bar number(s) on the registration form.

Questions about MCLE should be submitted to the Office of Executive and Professional Education at 312/503-8932 or by e-mail to d-williams6@law.northwestern.edu.

Sponsor

The conference is presented by the Securities and Exchange Commission Historical Society and administered by Northwestern University School of Law. For more information about Northwestern Law, please contact R. A. Pete Wentz, Associate Dean, Northwestern University School of Law, 357 East Chicago Avenue, Chicago, Illinois 60611-3069, telephone 312/503-1828.

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Registration and Order Form

Major Issues Conference: Securities Regulation in the Global Internet Economy

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- ☐ \$1,200 each for members of the Securities and Exchange Commission Historical Society
- ☐ \$1,000 each for four or more registrations from the same (SECHS-member) firm or company
- ☐ \$1,400 each for non-members
- ☐ \$1,200 each for four or more registrations from the same firm or company

Extra Course Materials

- ☐ Printed materials: \$200
- ☐ Enclosed is a check for _____ payable to *Northwestern University-CLE*.
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